

The Board of Supervisors of Maricopa County, Arizona convened in Special Session at 11:30 a.m., May 25, 2005 in the Supervisors' Conference Room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Max W. Wilson, Chairman, District 4; Don Stapley, Vice Chairman, District 2, Fulton Brock, District 1; Andrew Kunasek, District 3, and Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Manager; and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: (aye-no-absent-abstain).

NON-PROFIT FUNDING

Item: Discuss funding requests received by various non-profit organizations for the FY 2005-06 budget.

David Smith said the tentative budget for FY 2005-06 has the same allotments for non-profit funding as last year but several requests have been received for increases. One is from the Convention and Visitors' Bureau with regards to the 2008 Super Bowl celebration. Their one-time allocation request is for \$300,000 over a two-year period. A letter has been received from Central Arizona Shelter Services (CASS) also asking for an increase.

Supervisor Wilcox handed out a copy of a letter sent to the Board by CASS that asked for a 5.5% increase in their contribution from \$180,000 to \$226,000. She asked for approval of this matter saying that the Shelter continues to grow, their expenses are escalating and she believes this increase to be justifiable.

Supervisor Stapley remarked that CASS is the largest homeless shelter in the County and will be a mainstay of the new Human Services campus. He agreed that since the County's contribution has been static for a number of years it is time to increase the contribution to this worthy cause.

Supervisor Brock said that CASS is an outstanding organization that provides outstanding services. He questioned their anticipated loss of funding and asked where their provisional funding comes from.

David Smith replied that he understood they operate on an annual funding cycle and send out regular appeals for funds to private and public groups during the year.

Supervisor Kunasek stated that CASS is necessary and he appreciates their work but felt that more particulars should be known before he is prepared to vote on the matter and asked for additional time for preparation before making a decision.

Supervisor Wilcox addressed the funding increase requested by the Convention and Visitors' Bureau for another Super Bowl in 2008. She outlined the benefits received by the County during the previous Super Bowl held in Tempe in 1996. She said the \$300,000 request was a one-time request, payable at \$150,000 a year for two years, and it would be a fair share for the County since so many different factions and businesses in the County receive great benefit from the Super Bowl.

Representatives from the Convention Bureau came forward to speak and were welcomed by the Chairman. They included Mike Mooney, Vice President of Finance and Operations, Antonie Hart, Government Relations and Mark Garcia, Vice President of Community Affairs.

Supervisor Kunasek asked if there was a formula to ascertain the kind of revenue the last Super Bowl generated that could give a good estimation of the proceeds that could be expected in 2008.

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Mr. Mooney replied that the Arizona State University (ASU) analysis of the 1996 Super Bowl showed an economic impact of "well over \$200 million for the Maricopa County area and close to \$300 million "for the entire Super Bowl." He thought the preliminary forecast for 2008 was between \$325 and \$365 million. It was determined that the County's contribution to the 1996 Super Bowl was between \$53,000 and \$57,000.

Supervisor Kunasek asked if there was an estimate on how much of the State Shared Sales Tax for the event would come to the County. Discussion ensued on the many different ways all of the towns and cities would benefit, as well as the County and the State of Arizona as visitors made trips to the Grand Canyon and other tourist areas in the State. Mr. Mooney added that with a larger donation the County could count on having a stronger voice on the Host Committee when decisions were made on where certain events that weren't held directly at the Glendale stadium would be housed.

Supervisor Kunasek asked Tom Manos, Chief Financial Officer for the County, if an estimate could be generated before the Board made a decision. Mr. Manos said, "The sales tax goes into a state pool and a portion of that pool is set aside for the County according to a formula to divide the amount." He felt that an estimate could be determined in a short meeting with the Bureau. The Supervisors all asked to be informed of this estimate.

Supervisor Stapley said he would be supportive of the \$300,000 request and asked how this amount had been determined for the County.

Mr. Mooney said they had studied the amounts promised by various cities and the State's offer of "at least a million dollars" and they weighed the facts that this event would take place in Maricopa County and the Bureau is a partner with the County. In all it was felt this amount would be a wise investment for the County to make.

Mr. Mooney said that visitors to the Super Bowl inundate the region and spend money on rooms, food, car rentals, entertainment, personal retail purchases, etc. "and this all flows into the shared revenue pool which flows back to the County and that is where the investment pays off, through the direct spending of thousands of tourists." He added that the Super Bowl would undoubtedly generate future mega events in the Valley, which would also benefit the cities and county through increased revenue.

Supervisor Brock voiced support for the County's donation and felt all were excited by the prospect of hosting another Super Bowl. He reminded listeners that the County does not have the ability to impose a sales or lodging tax and often a "taxing formula" can get altered and that could affect the ultimate benefit to the County.

The Board assured the members of the Convention Bureau delegation that this matter would be considered at the earliest possible time.

Supervisor Stapley remarked on how well the County has handled their non-profit investments and explained that it is a unique method throughout the country. He said that most counties do it "in house" by spending large sums on staff salaries, etc. He felt that leveraging the limited funds the County has available to a list of worthy recipient non-profit organizations is very productive. He added, "We then partner with these agencies, which is a pretty conservative approach, but I think it's the most effective approach for the taxpayers dollars." He felt that this Board has consistently made wise investments over the years and that the "people we partner with are excellent professionals who are doing a great job."

In response to a question from the Chairman on further contributions to Glendale, the host city for 2008, Supervisor Stapley said that the magnitude of such a mega project is that every single entity, including

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the casinos run by Native Americans, will all benefit by the number of people who come to the Super Bowl. He said that during 1996 Super Bowl he and Sandi Wilson had anticipated how much the sales tax would spike "and it did better than we had anticipated." He said every entity in the Valley would benefit from the Board's \$300,000 investment. (ADM1806)

CLOSE OR TRANSFER MEMBERSHIPS

Item: Approve the final decision to close or transfer the following memberships no later than September 30, 2005. Formally notify the Director of the Arizona Health Care Cost Containment System (AHCCCS) on or before June 1, 2005.

- a. Maricopa Health Plan (C4905032003) (ADM2119)
- b. Maricopa Long Term Care Plan (C4905033001) (ADM2122)

Chairman Wilson said there were legal questions that needed answers before deciding on the above matters and called for the Board to go into Executive Session.

[Clerk's Note: This note is not part of the official minutes. This item was continued to the May 31, 2005, meeting.]

MEETING RECESSED TO EXECUTIVE SESSION

Motion was made by Supervisor Kunasek, seconded by Supervisor Stapley, and unanimously carried (5-0) to recess and reconvene in Executive Session, pursuant to listed statutory authority, for discussion and to obtain legal advice on the following matter.

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- b. Maricopa Long Term Care Plan (C4905033001)

SPECIAL SESSION RECONVENED

Chairman Wilson reconvened the Board in open session at 1:50 p.m. and proposed the Board meet for further deliberations on this matter on Tuesday, May 31, 2005, at 9:00 a.m.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

ATTEST:

Max W. Wilson, Chairman of the Board

Fran McCarroll, Clerk of the Board